

WHAT IS CLAIMED IS:

- [0113]** 1. A method of dynamically determining an optimal price to be charged for a product on an Internet website operated by an Internet merchant, comprising:
- (a) receiving configuration data from the Internet merchant;
  - (b) randomly sampling visitors to the Internet website according to the configuration data;
  - (c) determining an optimal price using the data acquired in step (b); and
  - (d) displaying the optimal price to the Internet merchant.
- [0114]** 2. The method of claim 1, wherein said configuration data includes sampling parameters.
- [0115]** 3. The method of claim 1, where said configuration data includes potential prices that are offered to the sampled population in step (b).
- [0116]** 4. The method of claim 1, wherein said configuration data includes whether the sampling is to be performed continuously or at discrete intervals.
- [0117]** 5. The method of claim 1, wherein said configuration data includes data for segmenting the population into clusters.
- [0118]** 6. The method of claim 1, wherein said configuration data includes a minimum threshold for automatically propagating an optimal price.
- [0119]** 7. The method of claim 1, wherein said random sampling is performed on the entire population of visitors to the website.
- [0120]** 8. The method of claim 1, wherein visitors to the website are grouped, and each group is sampled separately.

**[0121]** 9. The method of claim 8, wherein an optimal price is determined for each group.

**[0122]** 10. The method of claim 9, additionally comprising updating the website such that a visitor is offered the optimal price determined in step (c) according to the visitor's group.

**[0123]** 11. The method of claim 9, wherein groups are determined based upon prior purchasing behavior.

**[0124]** 12. The method of claim 9, wherein groups are determined based upon demographic characteristics.

**[0125]** 13. The method of claim 1, wherein step (c) comprises determining a price that optimizes profit.

**[0126]** 14. The method of claim 1, additionally comprising:  
(d) automatically updating the website to use the optimal price determined in step (c).

**[0127]** 15. The method of claim 1, additionally comprising:  
(d) automatically updating the website to use the optimal price determined in step (c) if the optimal price meets a minimum threshold.

**[0128]** 16. The method of claim 15, wherein the minimum threshold is that the optimal price determined in step (c) is a predetermined percentage better than a currently offered price for the product.